

Mineral Industry Surveys

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ALUMINUM IN JANUARY 1998

Domestic primary aluminum production in January was 309,196 metric tons. The average daily production rate was 9,974 tons, about the same level as that of the previous month but slightly higher than the rate for January 1997.

The monthly average U.S. market price of primary aluminum ingot decreased from 74.74 cents per pound in December 1997 to 71.92 cents per pound in January, according to *Platt's Metals Week*. According to *American Metal Market*, the buying price range for processed aluminum used beverage can (UBC) scrap decreased to 53 to 54 cents per pound in early January. On January 22, the buying price range increased and returned to the January 1 level of 55 to 56 cents per pound. On January 30, the price increased again to a range of 56 to 58 cents per pound. According to *Resource Recycling's Container Recycling Report*, the monthly average transaction price for aluminum UBC's decreased from 59.7 cents per pound in December to 57.5 cents per pound in January.

1997 U.S. Trade

Total imports for consumption of aluminum in 1997 increased 10% compared with those of 1996. Imports were higher in all three subcategories; metals and alloys increased by 8%, and the plate, sheets, bars, etc. and scrap categories both increased by 13%. Canada remained the largest shipper of aluminum to the United States, supplying almost two-thirds of the total imports in 1997.

Update

Aluminum Company of America (Alcoa) and Alumax Inc. announced that they have entered into an agreement to merge. Alcoa will acquire all outstanding shares of Alumax for a combination of cash and stock. The tender offer, which was approved by both companies' Boards of Directors, was expected to commence on March 13 and would be conditioned on the expiration of antitrust waiting periods and other customary conditions. The merger is subject to certain additional conditions, including approval by Alumax stockholders. The combined company will have about 100,000 employees, and will operate at 250 locations in 30 countries (Aluminum Company of America, 1998).

The monthly average U. S. market price of primary aluminum ingot decreased to 70.44 cents per pound in February. The buying price range for aluminum UBC's held steady at 56 to 58 cents per pound during the month.

References Cited

Aluminum Company of America, 1998, Alcoa to acquire Alumax Inc.: Pittsburgh, PA, and Atlanta, GA, Alcoa news release, March 9. (Accessed March 12, 1998, on the World Wide Web at URL <http://www.alcoa.com/news/latest/alumaxmar9.asp>)

TABLE 1
COMPONENTS OF ALUMINUM SUPPLY 1/

(Thousand metric tons)

Period	Primary production	Secondary recovery 2/			Imports for consumption			Total new supply 3/	Total stocks end of period 4/
		New	Old	Total	Metals and alloys, crude	Plates, sheets, bars, etc.	Total		
1997: p/	3,603	2,030	1,740	3,760	2,060	561	2,620	9,990	1,880
1997:									
January	305	171	148	318	145	42	188	811	1,830
February	277	160	139	299	147	37	184	760	1,830
March	307	169	150	319	209	48	257	883	1,810
April	295	169	151	320	196	48	244	859	1,810
May	304	174	147	321	198	49	247	872	1,800
June	296	164	145	309	167	47	214	819	1,810
July	305	176	147	323	157	51	208	836	1,840
August	304	174	144	318	152	47	199	821	1,830
September	294	173	142	315	150	47	196	805	1,830
October	307	174	150	324	175	47	222	854	1,830
November	298	162	136	298	146	50	196	792	1,860
December	310	163	136	299 r/	222	49	270	879	1,880
1998:									
January	309	163	136	299	NA	NA	NA	NA	NA

p/ Preliminary. r/ Revised. NA Not available.

1/ Data are rounded to three significant digits, except "Primary production"; may not add to totals shown.

2/ Metallic recovery from purchased, tolled, or imported scrap, expanded for full coverage of industry.

3/ Primary production, secondary recovery, and imports for consumption.

4/ Includes scrap; data from Current Industrial Reports, Series M33D, U.S. Department of Commerce, Bureau of the Census.

TABLE 2
ESTIMATED FULL COVERAGE CONSUMPTION OF AND METALLIC RECOVERY FROM PURCHASED
NEW AND OLD ALUMINUM SCRAP 1/

(Thousand metric tons)

Period	Secondary smelters		Integrated aluminum companies		Independent mill fabricators		Foundries		Other consumers		Total	
	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery	Con-sump-tion	Metal recovery
1997: p/	1,720	1,320	1,460	1,300	1,130	1,050	107	94	7	7	4,420	3,760
1997:												
January	142	109	126	113	97	90	7	6	1	1	373	318
February	141	108	116	104	88	81	7	6	(2/)	(2/)	352	299
March	142	109	132	116	94	87	7	6	(2/)	(2/)	376	319
April	144	111	129	114	95	88	7	7	1	1	376	320
May	143	110	124	110	100	93	8	7	1	1	376	321
June	143	110	125	111	89	82	7	6	1	1	363	309
July	144	110	129	114	98	91	8	7	1	1	379	323
August	143	110	119	105	101	94	10	9	1	1	374	318
September	144	111	118	105	94	87	14	12	1	1	370	315
October	146	112	123	109	97	89	14	12	1	1	381	324
November	144	110	109	97	89	82	10	8	1	1	352	298
December	144	111	111	99	88	81	9	8	(2/) r/	(2/) r/	352 r/	299 r/
1998:												
January	146	112	109	97	88	82	9	8	(2/)	(2/)	352	299

p/ Preliminary. r/ Revised.

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Less than 1/2 unit.

TABLE 3
CONSUMPTION OF AND RECOVERY FROM PURCHASED
NEW AND OLD ALUMINUM SCRAP IN JANUARY 1998 1/

(Metric tons)

	Consumption		Calculated metallic recovery	
	Tabulated reports	Estimated full coverage	Tabulated reports	Estimated full coverage
Secondary smelters	122,000	146,000	94,200	112,000
Integrated aluminum companies	109,000	109,000	97,100	97,100
Independent mill fabricators	73,500	88,200	68,000	81,600
Foundries	7,250	8,690	6,340	7,600
Other consumers	410	492	410	492
Total	312,000	352,000	266,000	299,000

1/ Data are rounded to three significant digits; may not add to totals shown.

TABLE 4
PURCHASED AND TOLL-TREATED ALUMINUM-BASE SCRAP AND SWEATED PIG IN
JANUARY 1998 1/

(Metric tons)

	Stocks, opening	Net receipts 2/	Melted or consumed	Stocks, closing
New scrap:				
Solids	23,300 r/	86,300	86,500	23,100
Can stock clippings	4,570	22,100	22,500	4,140
Other clippings	7,160 r/	15,200	15,100	7,230
Borings and turnings	5,480 r/	19,600	19,600	5,470
Dross and skimmings	3,000 r/	27,900	27,900	3,000
Total new scrap	43,600	171,000	172,000	43,000
Old scrap:				
Used casting, sheet, and clippings	31,200	59,400	59,600	31,000
Aluminum-copper radiators	1,360 r/	2,020	1,970	1,410
Used cans (shredded, loose, baled)	25,000	74,800	73,300	26,400
Fragmentized shredder (auto shredder)	W	W	W	W
Other	1,040	5,090	5,090	1,040
Total old scrap	58,600 r/	141,000	140,000	59,900
Sweated pig	1,350	765	784	1,330
Total all classes	103,000 r/	313,000	312,000	104,000

r/ Revised. W Withheld to avoid disclosing company proprietary data; included with "Other."

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes data on imported aluminum-base scrap.

TABLE 5
ALUMINUM ALLOYS PRODUCED AT SECONDARY SMELTERS
IN THE UNITED STATES IN JANUARY 1998 1/ 2/

(Metric tons)

	Stocks, opening	Production	Net shipments	Stocks, closing
Die cast alloys:				
13% Si, 360, etc. (0.6% Cu, max.)	3,510	6,650	6,850	3,310
380 and variations	12,300	40,000	40,000	12,300
Sand and permanent mold:				
95/5 Al-Si, 356, etc. (0.6% Cu, max.)	13,100	1,920	1,920	13,100
No. 319 and variations	3,130 r/	10,700	10,800	2,990
F-132 alloy and variations	1,810	3,940	3,770	1,990
Al-Zn alloys	453	225	225	453
Al-Si alloys (0.6% to 2.0% Cu)	196	802	802	196
Al-Cu alloys (1.5% Si, max.)	60	77	77	60
Other 3/	2,880 r/	7,550	7,390	3,050
Wrought alloys:				
Extrusion billets	5,890	12,900	12,900	5,900
Total all alloys	43,400 r/	84,800	84,700	43,400
Less:				
Primary aluminum consumed	XX	4,810	XX	XX
Primary silicon consumed	XX	6,600	XX	XX
Other alloying ingredients consumed	XX	398	XX	XX
Net metallic recovery from aluminum scrap and sweated pig consumed in production of secondary aluminum ingot 4/	XX	73,000	XX	XX

r/ Revised. XX Not applicable.

1/ Excludes integrated aluminum companies.

2/ Data are rounded to three significant digits; may not add to totals shown.

3/ Includes alloys No. 12, Al-Mg, Al-Si-Cu-Ni, aluminum-base hardeners, variations of these alloys, plus other aluminum alloys.

4/ No allowance made for melt-loss of primary aluminum and alloying ingredients.

TABLE 6
U.S. IMPORTS FOR CONSUMPTION OF ALUMINUM IN DECEMBER 1997 1/

(Metric tons)

Country	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.
Argentina	98	13,000	148	1,270	284	3,680	531	18,000
Australia	--	1,250	109	1,060	--	1,340	109	3,650
Bahrain	--	--	1,820	11,800	--	--	1,820	11,800
Belgium	3	321	361	4,600	--	140	363	5,060
Bosnia and Herzegovina	--	--	--	17	--	--	--	17
Brazil	4,520	23,900	547	776	70	319	5,140	25,000
Canada	113,000	1,410,000	24,600	330,000	19,000	252,000	157,000	2,000,000
Croatia	--	--	19	402	--	--	19	402
Czech Republic	--	--	25	99	--	--	25	99
Estonia	4	4	--	--	--	--	4	4
France	29	386	1,320	10,700	703	6,110	2,050	17,200
Germany	8	1,020	4,900	38,200	749	2,150	5,660	41,400
Ghana	--	1,160	--	--	205	1,850	205	3,020
Hungary	--	4	298	2,300	--	--	298	2,310
India	1,900	21,000	3	13	117	117	2,020	21,200
Italy	--	18	537	3,520	--	16	537	3,550
Japan	--	134	2,490	19,600	25	947	2,520	20,700
Korea, Republic of	--	65	33	358	195	2,140	229	2,560
Lithuania	--	17	--	--	--	--	--	17
Mexico	114	1,740	897	13,200	7,170	84,900	8,180	99,900
Netherlands	19	2,370	367	4,960	91	1,480	476	8,810
Norway	52	765	2	1,660	--	--	55	2,420
Russia	80,600	423,000	99	7,640	1,690	4,670	82,400	435,000
Slovakia	--	422	--	--	--	--	--	422
Slovenia	--	--	399	3,520	--	--	399	3,520
South Africa	--	11,400	913	5,550	79	809	991	17,800
Spain	2	151	1,600	14,300	181	994	1,790	15,400
Sweden	--	4,070	335	3,520	42	1,520	377	9,110
Switzerland	187	187	192	2,610	56	56	435	2,850
Tajikistan	--	4,030	--	--	--	--	--	4,030
Ukraine	227	4,190	--	19	42	614	269	4,830
United Arab Emirates	--	--	--	--	404	2,460	404	2,460
United Kingdom	8,180	18,700	1,780	19,000	781	10,400	10,700	48,000
Venezuela	11,400	114,000	2,270	29,700	1,710	17,100	15,400	161,000
Other	1,300	1,910	2,580	31,000	5,300	58,200	9,170	91,100
Total	222,000	2,060,000	48,600	561,000	38,800	454,000	309,000	3,080,000

1/ Data are rounded to three significant digits; may not add to totals shown.

Source: Bureau of the Census.

TABLE 7
U.S. EXPORTS OF ALUMINUM IN DECEMBER 1997 1/

(Metric tons)

Country or territory	Metals and alloys, crude		Plates, sheets, bars, etc.		Scrap		Total	
	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.	Dec.	Jan.-Dec.
Australia	79	407	148	2,460	--	16	227	2,890
Belgium	80	88	1,620	15,300	19	192	1,720	15,600
Brazil	1	90	8,710	75,600	--	13	8,710	75,700
Canada	13,800	155,000	24,100	394,000	6,590	86,700	44,500	636,000
China	64	996	2,770	41,500	5,340	42,100	8,180	84,600
Czech Republic	--	--	2	28	--	--	2	28
Dominican Republic	--	1	1	1,910	--	54	1	1,970
Estonia	--	3	--	9	--	17	--	30
France	35	287	477	5,740	1	9	513	6,030
Georgia	--	--	--	3	--	--	--	3
Germany	26	530	509	8,930	20	395	555	9,860
Hong Kong	61	4,080	1,110	20,800	3,650	31,700	4,820	56,500
India	1	4	38	165	71	365	110	534
Israel	6	64	186	1,090	--	9	193	1,160
Italy	--	57	214	3,090	--	20	214	3,170
Japan	6,560	95,300	4,350	37,600	2,020	35,400	12,900	168,000
Korea, Republic of	695	14,300	3,040	28,600	3,280	33,800	7,010	76,700
Malaysia	1	104	313	5,610	45	1,720	359	7,430
Mexico	7,720	63,000	8,500	102,000	3,290	33,400	19,500	198,000
Moldova	--	65	--	--	--	--	--	65
Netherlands	2	85	156	1,530	--	67	158	1,680
Russia	--	18	2	41	--	5	2	63
Saudi Arabia	21	42	313	18,100	--	--	334	18,200
Singapore	--	190	234	3,220	14	107	248	3,510
Slovenia	--	--	--	1	--	--	--	1
Spain	--	24	57	2,090	--	78	57	2,200
Sweden	--	35	36	180	--	2	36	218
Taiwan	324	9,070	1,950	14,500	3,520	61,800	5,790	85,400
Thailand	41	2,050	659	8,480	--	1,060	700	11,600
Turkmenistan	--	(2/)	--	--	--	--	--	(2/)
Ukraine	--	--	--	8	--	--	--	8
United Kingdom	85	1,460	966	14,600	24	4,760	1,070	20,800
Venezuela	1	96	1,090	9,740	20	383	1,110	10,200
Other	353	4,440	5,210	64,800	203	3,440	5,770	72,700
Total	30,000	352,000	66,800	882,000	28,100	338,000	125,000	1,570,000

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Less than 1/2 unit.

Source: Bureau of the Census.